IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No 44 of 2003

in

COMPANY APPLICATIONNo 223 of 2002

For Approval and Signature:

Hon'ble MR.JUSTICE N.G.NANDI

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the concerned Magistrate/Magistrates,Judge/Judges,Tribunal/Tribunals? : NO

ARVIND MILLS LTD.

Versus

COMMERZBANK AG

Appearance:

1. COMPANY APPLICATION No. 44 of 2003

MRS SWATI SOPARKAR for Petitioner No. 1

MR SANJAY A MEHTA for Respondent No. 1

CORAM : MR.JUSTICE N.G.NANDI

Date of decision: 07/02/2003

ORAL JUDGEMENT

1. Heard Mr. S.N. Soparkar, learned senior advocate for the applicant/ original petitioner - Arvind Mills Limited.

2. In para-4 of this summons for direction, supported by affidavit, it has been stated that erstwhile Commerzbank AG, who was one of the respondents in Company Application No. 140 of 2001 and applicant in Company Application No. 223 of 2002 has assigned its right, title and interest in favour of FIELDWAY FINANCE INC., Plaza, 2000, Via General Novanor, Calle 50, Panama City, and thus the Fieldway Finance Inc. is the successor in tile of Commerzbank AG.

3. Rule. Mr. S.R. Mehta, learned advocate waives service and accepts notice of rule on behalf of respondent Fieldway Finance Inc. Mr. Mehta has also placed on record letter dated January 30, 2003, same is kept on record. It is stated by Mr. Mehta for the respondent that, there is no objection in clarifying the order dated 2-8-2002 passed in Company Application No. 223 of 2002 in Company Petition No. 140 of 2001 as prayed in this application.

4. In view of the above, the order dated 2-8-2002 in Company Application No. 223 of 2002 in Company Petition No. 140 of 2001 is clarified to the effect that, the entire amount of gains arising to the Company on account of various Restructuring and Debt Buyback Scheme under the Scheme without any set off be treated as part of profit and gain of the applicant Company for all purposes under the Companies Act, 1956, including for calculation of net profits under Section 349 of the said Act for the purpose of computation of managerial remuneration and for appropriation towards creation of various reserves.

5. The order dated 2-8-2002 is ordered to be read as clarified above. Application granted. Rule made absolute.

DT: 7-2-2003 (N.G. Nandi,J)

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